



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Seventeenth Congress
Second Regular Session
HOUSE BILL NO. **6514**

Introduced by Representatives:
Pantaleon D. Alvarez and Juan Pablo P. Bondoc

EXPLANATORY NOTE

Since its creation in 1977, the Philippine Amusement and Gaming Corporation (PAGCOR) has proved influential in furthering socio-economic growth in the country. Aside from being a reliable source of funding for some of the government's socio-civic and national projects, it is also a powerful mover and shaker in furthering the tourism industry in the country – providing avenues for amusement, attraction, and recreation. Moreover, acting on its primary mandate to regulate the operation of casinos and other games of chance, PAGCOR was instrumental in upholding the integrity of the country's gaming industry by preventing the proliferation of illegal clubs and casinos.

As the Philippine gaming industry continues to evolve, it is crucial for PAGCOR to strengthen and advance its efforts in regulating the operations of gaming and amusement entities. However, since it is both an operator of casinos and the regulator of the same, there is a lingering doubt as to its ability to effectively enforce its regulatory powers.

Hence, for the purpose of effective regulation, this legislation proposes to change the character of PAGCOR from an operator and a regulator to a purely regulatory body. For purposes of efficiency, it also seeks to centralize and consolidate all regulatory functions relating to the operations of games of chance under it, including the ones authorized by existing franchises or permitted by law such as those operating in economic zones.

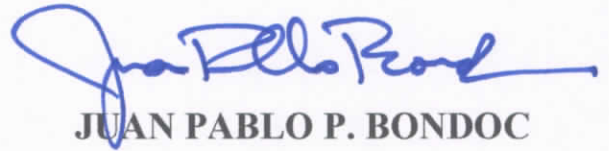
By doing so, best efforts will be centered on guaranteeing compliance and consistency with the country's national development policies. To reflect this

transformation, the creation of the Philippine Amusement and Gaming Authority (PAGA) is proposed.

In view of the foregoing, approval of this bill is highly and earnestly recommended.



PANTALEON D. ALVAREZ



JUAN PABLO P. BONDOC



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1 **AN ACT**

2 **RATIONALIZING AND CONSOLIDATING GOVERNMENT**
3 **REGULATIONS RELATING TO ALL GAMES OF CHANCE UNDER**
4 **THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION,**
5 **GAMES AND AMUSEMENTS BOARD, PHILIPPINE CHARITY**
6 **SWEEPSTAKES OFFICE AND SPECIAL ECONOMIC ZONES,**
7 **CREATING FOR THE PURPOSE THE PHILIPPINE AMUSEMENTS**
8 **AND GAMING AUTHORITY**

9
10 *Be it enacted by the Senate and the House of Representatives of the Philippines*
11 *in Congress assembled:*

12
13 SECTION 1. **Short Title.** – This Act shall be known as the “*Philippine*
14 *Amusements and Gaming Authority Act.*”

15 SEC. 2. **Declaration of Policy.** – It is the policy of the State to centralize
16 and integrate, for purpose of effective regulation, all games of chance,
17 sweepstakes, lotteries, or similar activities, those operated electronically or
18 otherwise, including those authorized by existing franchises or permitted by law
19 such as those operating under Republic Act No. 7922, otherwise known as the
20 “*Cagayan Special Economic Zone Act of 1995,*” Republic Act No. 9490,

1 otherwise known as the "*Aurora Special Economic Zone Act of 2007*," Republic
2 Act No. 9728, otherwise known as the "*Freeport Area of Bataan (FAB) Act of*
3 *2009*," Executive Order No. 392, Series of 1950, which created the Games and
4 Amusements Board, and Republic Act No.1169 which created the Philippine
5 Charity Sweepstakes Office, and such other laws creating special economic
6 zones, in order to attain the following objectives:

7 (a) To centralize and integrate the right and authority to exclusively
8 regulate effectively all games of chance into one corporate entity to be
9 controlled, administered and supervised by the government; and

10 (b) To establish and create conditions conducive for private entities to
11 operate clubs and casinos, for amusement and recreation, including sports
12 gaming pools and such other forms of amusement and recreation, games of
13 chance, remote gambling, electronic or otherwise, which will:

14 (1) Generate sources of additional revenue to fund government
15 expenditures;

16 (2) Create recreation and integrated facilities which will expand and
17 improve the country's existing tourist attractions; and

18 (3) Minimize, if not totally eradicate, the evils, malpractices and
19 corruptions that are normally prevalent in the conduct and operation of
20 gambling clubs and casinos without direct government involvement.

21 SEC. 3. ***Definition of Terms.*** – The following terms are defined as
22 follows:

1 (a) *Games of chance* means any type of game wherein the outcome is
2 determined by statistical odds, including casino table games, slot machines,
3 poker, dice games, and wheel games, among others;

4 (b) *Electronic games* means virtual games of chance, such as casino
5 games and mixed games of chance and skills;

6 (c) *Electronic gaming* means the conduct of electronic games and the
7 taking of wagers through any computer or communication device connected to
8 the internet or the use of internet-based technology and other communication
9 devices that are necessary for gaming operations;

10 (d) *Gambling games* refer to any game or scheme whether upon
11 chance or skill, wherein wagers consisting of money, articles of value or
12 representatives of value, are made;

13 (e) *Lottery* refers to a form of gambling whereby prizes are distributed
14 among persons who have paid, or agreed to pay, a valuable consideration for the
15 chance to obtain a prize. It requires consideration, chance or hazard, and prize.

16 SEC. 4. ***Philippine Amusements and Gaming Authority.*** – There shall be
17 established a Philippine Amusements and Gaming Authority, hereinafter
18 referred to as the Authority, which shall be a corporate body under the Office of
19 the President, and shall regulate and consolidate all regulatory functions relating
20 to all games of chance, electronic games, gambling games, and lottery in the
21 Philippines.

1 The power of the Authority shall be purely regulatory in nature. It shall
2 not be an operator of any games of chance. The Authority is allowed to
3 establish such offices, agencies, subsidiaries, or branches in the Philippines as
4 its operations would require, and its Board of Directors may determine.

5 SEC. 5. **Board of Directors.** – The Authority shall be governed by a Board
6 of Directors, hereinafter referred to as the Board. The Board is composed of
7 five (5) members who shall be appointed by the President of the Philippines in
8 accordance with the provisions of Republic Act No. 10149, otherwise known as
9 the “*GOCC Governance Act of 2011*.” Members of the Board must be qualified
10 by the Fit and Proper Rule as determined by the Governance Commission for
11 GOCCs (GCG) in accordance with the provisions of the GOCC Governance
12 Act of 2011.

13 The members of the Board of Directors shall serve at the pleasure of the
14 President.

15 The members of the Board may receive compensation, *per diems*,
16 allowances, and incentives in accordance with the guidelines promulgated by
17 the GCG.

18 SEC. 6. **Powers and Functions of the Board of Directors.** – The Board
19 shall have the following powers and functions:

20 (a) To submit a report to the Office of the President of the Philippines
21 every February of each year;

(b) To effectively regulate all games of chance, including sweepstakes, races, lotteries, or similar activities, those operated remotely, electronic or otherwise, including those authorized by existing franchises or permitted by law such as those operating under Republic Act No. 7922, also known as the “*Cagayan Special Economic Zone Act of 1995*,” Republic Act No. 9490, also known as the “*Aurora Special Economic Zone Act of 2007*,” Republic Act No. 9728, also known as the “*Freeport Area of Bataan (FAB) Act of 2009*,” Executive Order No. 392, s. 1950, which created the Games and Amusements Board (GAB), and Republic Act No. 1169 which created the Philippine Charity Sweepstakes Office (PCSO);

(c) To organize the Authority by creating departments and committees that may be necessary to assist the Authority and the Board of Directors in the performance of its functions pursuant to the provisions of this Act;

(d) To appoint such other officers, employees, consultants, inspectors and agents, and employ them on such terms and conditions as the Authority may determine;

(e) To perform such other powers, functions, and duties as may be directed and authorized by the President of the Philippines, or as may be necessary or proper for the accomplishment of its purposes and objectives.

SEC. 7. *Transfer of Regulatory Functions.* – All regulatory functions relating to gaming and amusements of PCSO, GAB, Cagayan Special Economic Zone (CEZA), Aurora Pacific Economic Zone and Freeport (APECO), Freeport

1 Area of Bataan (FAB) and such other special economic zones shall be
2 transferred to the Authority.

3 The regulatory function of PCSO is hereby transferred to the Authority,
4 thereby amending Section 10 of RA 1169, as amended. Accordingly, PCSO
5 shall be a purely charitable institution, and a recipient of the share of funds from
6 sweepstakes operations conducted by private operators.

7 The regulatory authority of GAB, which was created by E.O. No. 392, s.
8 1950, shall be transferred to the Authority. Correspondingly, GAB is hereby
9 abolished.

10 The authority of CEZA under Section 6 (f) of R.A 7922, APECO under
11 Section 12 (f) of R.A 9490, FAB under Section 13 (j) of R.A. 9728, and of other
12 special economic zones, to regulate games of chance, amusements, and
13 recreational facilities such as gambling casinos, shall be transferred to the
14 Authority.

15 SEC. 8. *Regulation of Gaming in Economic Zones.* – The Authority
16 shall promulgate rules and regulations for the operations of amusements and
17 recreational facilities in the economic zones.

18 SEC. 9. *Purpose of the Authority.* – The Authority shall maintain and
19 administer systems for the regulation, supervision, and control of gaming
20 operators with legislative franchises, which shall include those previously
21 licensed by virtue of Presidential Decree No. 1869 as amended, Republic Act
22 7922, Republic Act 9490, Republic Act 9728, Presidential Decree No. 420,

1 Republic Act 1169, Republic Act 1168, and such other laws that allowed
2 licensing of gaming operations for the following purposes:

3 (a) To collect the franchise fees from those who are issued a legislative
4 franchise to operate and conduct gaming activities;

5 (b) To ensure that only those who are issued a legislative franchise are
6 authorized to operate and conduct gaming;

7 (c) To ensure that the management and operation of all gaming or
8 gambling activities are carried out by persons who are suitable, and free from
9 criminal influence or exploitation;

10 (d) To ensure that all gaming activities are conducted honestly; and

11 (e) To contain and control the potential of gaming activities to cause
12 harm to minors, vulnerable persons and society at large.

13 SEC. 10. *Powers and Functions of the Authority.* – The Authority shall
14 exercise the following powers and functions:

15 (a) To regulate the operation of all games of chance, electronic games,
16 gambling games and lottery activities;

17 (b) To approve any system of control and administrative accounting
18 procedures of all games of chance, electronic games, gambling games and
19 lottery activities;

20 (c) To advise the President of the Philippines concerning policy in
21 relation to supervision and inspection of casinos; and

(d) To perform all other functions and powers as may be authorized or assigned by the President of the Philippines or as may be necessary or proper for the accomplishment of its purpose, as follows:

(1) To supervise the operation of all gaming or gambling activities, the persons responsible for such operations and the conduct of gaming;

(2) To ensure that the handling, collection, disbursement and counting of money within gaming or gambling premises is supervised;

(3) To detect offenses committed within the said premises;

(4) To receive and investigate complaints from patrons concerning the conduct of gaming;

(5) To adjudicate cases of dispute between an operator and patrons;

(6) To check gaming or gambling records whenever necessary;

(7) To inspect, test and approve gaming premises, equipment and paraphernalia; and

(8) To prepare and give to the President of the Philippines such reports concerning the operation of all gaming or gambling activities.

SEC. 11. ***Corporate Powers of the Authority.*** – The Authority shall have the following corporate powers:

(a) To prescribe its by-laws;

(b) To adopt, alter and use a corporate seal;

1 (c) To own real or personal property, and to sell, alienate, mortgage,
2 encumber or otherwise dispose of the same;

3 (d) To employ such officers and personnel as may be necessary or
4 proper to carry on its business;

5 (e) To acquire, lease or maintain, whether on land, water or air,
6 personal property and such other equipment and facilities as may be necessary
7 or proper to carry out its purposes;

8 (f) To conduct investigations as may be necessary for enforcing this
9 Act;

10 (g) To require any person to furnish such returns and information as
11 may be necessary for implementing the provisions of this Act;

12 (h) To issue or approve codes of practice relating to gaming or
13 gambling operations;

14 (i) To publish educational materials or carry out research or other
15 educational activities relating to gaming or gambling, or to financially support
16 the carrying out by others of such activities or the provision by others of
17 information or advice, subject to the rules of the Commission on Audit;

18 (j) To enter into such contracts as may be necessary or expedient for
19 the purpose of performing its functions or discharging its duties;

20 (k) To become a member or an affiliate of any international body, the
21 functions, objects or duties of which are similar to those of the Authority;

1 (l) To make provision for gratuities, pensions, allowances or other
2 benefits for employees or former employees of affected government agencies;

3 (m) To make provision for the specialized training of any employee of
4 the Authority and, in that connection, to offer scholarships, subject to the
5 determined annual budget allocation, to intending trainees or otherwise pay for
6 the cost of the training and all expenditure incidental thereto; and

7 (n) To perform such other powers and functions necessary in carrying
8 out the purpose of this Act.

9 The Authority shall furnish the President of the Republic of the
10 Philippines information with respect to its property and activities, in such
11 manner and at such times as the President may, from time to time, require.

12 SEC. 12. *Appointment of Inspectors.* – The Authority, through its
13 Board, shall appoint inspectors to monitor the operations of all legislative
14 gaming franchisees and ensure that their operations are in accordance with this
15 Act and their respective legislative franchises.

16 SEC. 13. *Functions of Inspectors.* – The inspectors shall have the
17 following functions:

18 (a) To ascertain whether a legislative franchisee is complying with the
19 provisions of this Act, the conditions of the legislative franchise, and any
20 direction issued by the Authority under this Act;

21 (b) To monitor the handling and counting of money in all gaming
22 operations;

(c) To assist in any other manner, where necessary, in the detection of offenses committed under this Act;

(d) To receive and investigate complaints from patrons relating to the conduct of gaming;

(e) To report to the Authority regarding gaming operations; and

(f) To perform any other functions as are conferred on inspectors under this Act.

SEC. 14. *Powers of Inspectors.* – An inspector shall have the following powers:

(a) To require any person in possession of, or having control of, any machinery, equipment, record, or other thing related to gaming operations, to produce the machinery, equipment, record, or other thing for inspection and to answer questions or provide information relating to the machinery, equipment, record or other thing;

(b) To inspect any machinery, equipment, record or other things referred to in paragraph (a) of this section and take copies of, extracts from, or notes relating to, such record;

(c) To seize any machinery, equipment, record or other things considered by the inspectors as necessary for the purpose of obtaining evidence of the contravention of any provision of this Act;

(d) To stop any game conducted;

1 (e) To require by written notice the holders of a legislative franchise,
2 their employees or any other person associated with operations or their
3 management in premises the inspector is authorized to enter, to attend before
4 the inspector at a specified time and place and to answer questions, or to
5 provide information within a reasonable period specified in the notice, with
6 respect to any activity regulated by this Act;

7 (f) To examine and test any machinery, equipment or other things
8 referred to in paragraph (a) of this act and order the person in charge to
9 withdraw the machinery or equipment, from use if it is unsatisfactory for use;

10 (g) To investigate any complaint from a patron relating to the conduct
11 of any activity regulated by this Act; and

12 (h) To exercise any other power authorized by this act to be performed
13 by an inspector.

14 When an inspector seizes any machinery, equipment, record or other
15 things considered by the inspector as necessary for the purpose of obtaining
16 evidence of the contravention of any provision of this Act, the inspector may
17 retain it until the completion of any proceedings, including proceedings on
18 appeal. However, in the case of records, the person from whom the records
19 were seized shall be permitted to inspect and make copies of the records.

20 The condition in the preceding paragraph ceases to have an effect in
21 relation to things seized if, on the application of a person aggrieved by the
22 seizure, the court in which the proceedings are referred to so orders.

1 SEC. 15. *Power to Require Names and Addresses.* – An inspector who
2 exercises a right of entry to gaming premises or under a search warrant may
3 require a person on the premises to state the person's full name and residential
4 address.

5 An inspector is not authorized to require a person to state the person's
6 name or address unless the inspector suspects on reasonable grounds that the
7 person has committed an offense.

8 Any person who fails to comply with the foregoing requirement shall be
9 guilty of violating the terms of the legislative franchise.

10 SEC. 16. *Seizure and Forfeiture.* – An inspector may seize the
11 following:

12 (a) Anything that is not authorized under this Act to be on the gaming
13 premises; and

14 (b) Any article or thing, the use or possession of which is unlawful.

15 A police officer or an inspector may apply to a court upon completion of
16 the investigation in relation to any item seized under this section for an order
17 that the item seized be forfeited in favor of the Authority.

18 The court shall order an item be forfeited in favor of the Authority when
19 the court is satisfied that the item is:

20 (a) A gaming equipment that is not authorized under this Act to be in
21 the gaming premises; or

(b) An article or thing, the use or possession of which is unlawful, regardless of whether a case has been filed or a person has been convicted of a crime involving the article or item.

Any item forfeited under this section shall be disposed of in accordance with the direction of the court.

SEC. 17. *Appeals.* – The party adversely affected by an order, or findings of the Authority, may, within thirty (30) days from receipt of the notice of such decision, order or ruling, file a motion for reconsideration to the Board. Within fifteen (15) days after notice of denial of the motion for reconsideration, the party may file a petition for review, with the Office of the President, which shall have jurisdiction to review such decision, order, or ruling, and to modify or set aside the same when it clearly appears that there was no evidence before the Board to reasonably support such decision, order, or ruling, or that the same is contrary to law, or that it was without the jurisdiction of the Board.

SEC. 18. *Applicable Taxes.* – Persons engaged in gambling, upon securing a legislative franchise from Congress, and registering with the Authority, shall be subject to a five percent (5%) franchise tax on its aggregate gross earnings from fees, fines, composition sums and financial penalties.

The full amount generated by the taxes collected under this Section shall, to the extent applicable, be appropriated to fund the charitable and social obligations financially supported by PAGCOR and PCSO prior to the effectivity of this Act.

1 SEC. 19. *Funds of the Authority.* – The funds and property of the
2 Authority shall consist of the following:

3 (a) Franchise fees;

4 (b) Grants;

5 (c) All fees, fines, composition sums and financial penalties paid into
6 the funds of the Authority under this Act;

7 (d) All moneys paid to the Authority for the purposes of the Authority;

8 (e) All moneys paid to the Authority by way of grants, subsidies,
9 donations, and contributions;

10 (f) All moneys received by the Authority by way of charges and fees
11 for services rendered by the Authority;

12 (g) All moneys, dividends, royalties, interest or income received from
13 any transaction made pursuant to the powers conferred on the Authority under
14 this Act or any other written law;

15 (h) All moneys borrowed by the Authority under this Act;

16 (i) All other moneys and property lawfully received by the Authority
17 for its purposes; and

18 (j) All accumulations of income derived from any such property or
19 money.

20 SEC. 20. *Mandated Remittances.* – All the mandated remittances of
21 PAGCOR, GAB, and PCSO as provided under special laws that are still in
22 effect upon the enactment of this Act shall remain valid and shall be honored by

1 the Authority. The Board shall set a fixed amount equivalent or higher than the
2 existing amount being remitted by PAGCOR, GAB AND PCSO to fund the
3 obligations as provided under special laws.

4 SEC. 21. ***Moneys Recovered or Collected.*** – Except otherwise provided,
5 all moneys recovered, and charges, fees, fines, composition sums and financial
6 penalties collected by the Authority under this Act shall be paid into and form
7 part of the moneys of the Authority. The revenue shall be used to fund the
8 operational costs of the Authority and PCSO, existing social and charitable
9 obligations of PAGCOR and PCSO, and mandated remittances as provided
10 under special laws.

11 SEC. 22. ***Bank Account and Records.*** – The Authority shall open and
12 maintain an account with the Land Bank of the Philippines.

13 The Authority shall keep proper accounts and records of its transactions
14 and affairs, and shall do all things necessary to ensure the following:

15 (a) All payments out of its moneys are correctly made and properly
16 authorized; and

17 (b) Adequate control is maintained over the assets of, or in the custody
18 of, the Authority and over the expenditures incurred by the Authority.

19 SEC. 23. ***Reports to the President of the Philippines.*** – The Authority
20 shall, as soon as its accounts and financial statements have been audited in
21 accordance with the provisions of this Act, send to the President of the

1 Philippines a copy of the audited financial statements, signed by the
2 Chairperson of the Authority, together with a copy of the auditor's report.

3 (a) **Annual Report.** – The Authority shall, as soon as practicable after
4 the end of each financial year, prepare and transmit to the President of the
5 Republic of the Philippines a report dealing generally with the activities of the
6 Authority during the preceding financial year and containing such information
7 relating to the proceedings and policy of the Authority as the President may,
8 from time to time, direct.

9 (b) **Audit of Accounts.** – The Authority shall, as soon as practicable
10 after the close of each financial year, prepare and submit the financial
11 statements, in respect to that year, to the Commission on Audit (COA) which
12 shall audit and report on them. The COA report shall state the following:

13 (a) Financial statements showing the financial transactions and the
14 state of affairs of the Authority;

15 (b) Proper accounting and records of all the assets of the Authority
16 whether purchased, donated, or otherwise;

17 (c) Receipts, expenditures and investments of moneys and the
18 acquisitions and disposals of assets by the Authority during the financial year;
19 and

20 (d) Such other matters arising from the audit that the COA shall
21 consider necessary.

1 The auditor shall submit such periodical and special reports to the
2 President of the Republic of the Philippines and to the Authority as may appear
3 to him to be necessary, or as the President or the Authority may require.

4 SEC. 24. *Joint Congressional Oversight Committee on Gaming*
5 *Regulations.* – For the effective implementation of this Act, the Joint
6 Congressional Oversight Committee on Gaming Regulations is hereby
7 established to monitor the gaming industry and operations of the Authority, all
8 for the purpose of recommending necessary policy adjustments to improve the
9 regulation and operations of the gaming industry.

10 The Joint Congressional Oversight Committee on Gaming Regulations is
11 composed of seven (7) members from the Senate, which shall include the
12 Chairperson of the Senate Committee on Games and Amusement, and seven (7)
13 members from the House of Representatives, which shall include the
14 Chairperson of the House Committee on Games and Amusement.

15 The Members from the Senate shall be appointed by the Senate President
16 based on the proportional representation of the parties or coalitions therein with
17 at least two (2) Senators representing the Minority. The Members from the
18 House of Representatives shall be appointed by the Speaker, also based on
19 proportional representation of the parties or coalitions therein with at least two
20 (2) Members representing the Minority.



1 The Joint Congressional Oversight Committee shall be jointly headed by
2 the respective Chairpersons of the Senate Committee on Games and
3 Amusement and the House of Representatives Committee on Games and
4 Amusement.

5 The Authority shall submit a report to the Joint Congressional Oversight
6 Committee every year containing the annual accomplishments as well as the
7 Authority's financial status and COA Audit Report.

8 SEC. 25. ***Legislative Franchise.*** – All gaming operations shall secure a
9 legislative franchise from Congress before they can operate and conduct gaming
10 activities.

11 All gaming operations, which had been licensed pursuant to Presidential
12 Decree No. 1869 as amended, Republic Act 7922, Republic Act 9490, Republic
13 Act 9728, Presidential Decree No. 420, Republic Act 1169, Republic Act 1168
14 and such other laws that allowed licensing of gaming operations, and without a
15 legislative franchise, shall be given a period of one (1) year from the effectivity
16 of this Act to secure a legislative franchise, otherwise such operations shall be
17 illegal.

18 SEC. 26. ***Transitory Provisions.*** – To ensure the smooth transition of
19 PAGCOR from its status as operator and regulator, into an Authority with a
20 purely regulatory function, as well as the transfer of the functions of the
21 “Charity Sweepstakes, Horse Races, and Lotteries,” under RA 1169, as well as
22 the regulatory functions of the “Games and Amusements Board,” which was



1 created by E.O. No. 392, s. 1950, as well as those created under RA 7922, also
2 known as the "*Cagayan Special Economic Zone Act of 1995*," RA 9490, also
3 known as the "*Aurora Special Economic Zone Act of 2007*," RA 9728, also
4 known as the "*Freeport Area of Bataan (FAB) Act of 2009*," all officers and
5 employees of the herein enumerated entities directly affected shall continue to
6 exercise their usual functions, duties, and responsibilities under the Authority
7 insofar as those related to the Authority's regulatory powers over gambling,
8 games of chance, sweepstakes races, lotteries, or similar activities, electronic or
9 otherwise.

10 The Authority shall effect the transfer herein provided in a manner that
11 ensures the least disruption and maximum absorption of offices. The qualified
12 personnel of the absorbed offices shall be transferred and absorbed by the
13 Authority: Provided, that the tenure, rank, salaries, benefits and privileges of
14 such personnel are not reduced or adversely affected. The Authority shall
15 provide for gratuities, pensions, allowances or other benefits for former
16 employees of affected government agencies.

17 Personnel who are separated from the service shall be granted by the
18 Authority with separation pay, retirement and other benefits provided under
19 existing laws but, in no case shall the separation pay be less than one (1) month
20 for every year of service.

21 Further, the Authority shall conduct an inventory of all its assets related
22 to its casino operations and shall liquidate said assets through a public sale at



1 prices most advantageous to the government, and equivalent to, or more than
2 the prevailing market prices.

3 Upon the effectivity of this Act, the Authority shall have three (3) years
4 during which to wind up its operations relating to gambling and games of
5 chance, electronic or otherwise. All existing lease agreements and the like shall
6 expire upon the end of the three (3) year period herein provided.

7 SEC. 27. ***Separability Clause.*** – If any portion or provision of this Act is
8 declared void or unconstitutional, the remaining portions or provisions not
9 affected by such declaration shall remain in full force and effect.

10 SEC. 28. ***Repealing Clause.*** – Presidential Decree No. 1869 or the
11 Decree “Consolidating and Amending Presidential Decree Nos. 1067-A, 1067-
12 B, 1067-C, 1399 and 1632, Relative to The Franchise and Powers of the
13 Philippine Amusement and Gaming Corporation (PAGCOR)”, and Section 6
14 and Section 7 of Executive Order No. 392, s. 1950, which created the “Games
15 and Amusements Board,” are hereby abolished.

16 All other laws, decrees, orders, rules and regulations, issuances, or parts
17 thereof inconsistent with the provisions of this Act insofar as it allows gaming
18 operations to be conducted without first securing a legislative franchise and
19 registering with the Authority, as well as insofar as it allows gambling activities,
20 games of chance, sweepstakes races, lotteries or similar activities, electronic or
21 otherwise, to operate outside the direct and exclusive regulatory powers of the
22 Authority, in particular provisions as found in RA 7922, also known as the



1 “Cagayan Special Economic Zone Act of 1995,” RA 9490, also known as the
2 “Aurora Special Economic Zone Act of 2007,” RA 9728, also known as the
3 “Freeport Area of Bataan (FAB) Act of 2009,” P.D. No. 420 creating the
4 “Philippine Racing Commission,” and RA 1169 which created the “Philippine
5 Charity Sweepstakes Office,” are also hereby repealed or modified accordingly.

6 SEC. 29. **Effectivity Clause.** – This Act shall take effect fifteen (15) days
7 after its publication in the *Official Gazette* or in a newspaper of general
8 circulation.

9 Approved,